

Incoming
S/041/0040



Peter Brinton <peterbrinton@utah.gov>

S/041/0040, Rolling Thunder R&D, Michael Terry, ML 51633

Jerry Mansfield <jmansfield@utah.gov>
 To: Peter Brinton <peterbrinton@utah.gov>
 Cc: Paul Baker <paulbaker@utah.gov>

Tue, Oct 1, 2013 at 1:19 PM

Peter:

SITLA is in agreement with UDOGM's bond calculation.

Thanks!

On Tue, Oct 1, 2013 at 1:02 PM, Peter Brinton <peterbrinton@utah.gov> wrote:

Hi Jerry,

I was going to ask you what you were doing at work today, and then remembered that you don't work for the federal government any more...

We normally add on \$2,000 to the rest of the bond amount to cover closure of portals. This comes from abandoned mine closure costs from AMR, which generally would be smaller portals than modern portals. We haven't modified the cost to match different portal sizes - it's normally just a standard cost per portal. In this notice, they didn't provide size information on their portal, but there's a chance it could be more expensive. I'm confident, based on the location and nature of the proposed project, that the average cost per acre has enough bond to cover additional portal reclamation costs. I don't mind asking for their portal dimensions, though, if we want to do that.

Using our standard approach, the proposed bond for 4 acres would be \$25,000, plus \$2,000 for a portal:

Disturbance ¹ (acres)	Adjusted 3-yr Reclamation Surety Costs (2013)		
	First Acre ² (3-yr)	Subsequent Cost/Acre	Total - 3 yr (thru 2016)
1	\$9,400	\$5,200	\$9,400
2	\$9,400	\$5,200	\$14,600
3	\$9,400	\$5,200	\$19,800
4	\$9,400	\$5,200	\$25,000
5	\$9,400	\$5,200	\$30,200
6	\$13,600	\$5,400	\$40,600
7	\$13,600	\$5,400	\$46,000
8	\$13,600	\$5,400	\$51,400
9	\$13,600	\$5,400	\$56,800
10	\$13,600	\$5,400	\$62,200

Can you concur with a surety amount of \$27,000 for this project?

Peter

On Tue, Oct 1, 2013 at 9:57 AM, Jerry Mansfield <jmansfield@utah.gov> wrote:
Paul & Peter:

The assignment of ML 51633 from Jacobstone to Rolling Thunder has been received and is in process; therefore the discrepancy of the lessee and operator has been resolved.

SITLA has also received the cultural report. There is potential for an encounter of cultural material and UDOGM's approval should stipulate that if any is encountered that work should halt and the SITLA archeologist notified.

I look forward to your reclamation bond calculation to see how you handle the adit closure. The NOI that I received does not specify the size of the opening; will the closure be included in your per acre calculation?

Hope this e-mail will help you move the project along.

Thanks!!

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